Economy

- With an economic growth rate of 7.46% (based on data provided by the International Monetary Fund[6]), India is currently the 8th largest economy in the world. It recently outperformed China as the world's fastest-growing economy.
- In 2015, the average annual income was about €1100, and almost 30% of the population lived below the poverty line of $1 a day.
- The main drive for India's economic growth is the service sector, e.g. information technology and related services, telecommunications and financial services.
- Economic growth has detrimental effects on India's environment, as pollution of air and water, as well as the combustion of fossil fuels, has increased dramatically.

Glossary – India

adapt to sth.	sich an etw. anpassen
arranged marriage	eine arrangierte Ehe
be oppressed by someone	von jemandem unterdrückt werden
caste	Kaste
colonialism; colonizer; colonized	Kolonialismus; der Besiedler; kolonisiert
combustion	Verbrennung
compulsory education	Schulpflicht
dowry	Mitgift
empire	das Imperium
excluded (from)	(von) etw. ausgeschlossen
hostile	feindlich, feindselig, ablehnend
imperialism; imperialistic	Imperialismus; imperialistisch
indigenous	Einheimischer eines Landes
literacy rate	Alphabetisierungsrate
poverty line	Armutsgrenze
service sector	Dienstleistungssektor

6 http://www.imf.org/external/pubs/ft/weo/2015/01/weodata/weorept.aspx?pr.x=47&pr.y=7&sy=2015&ey=2020&scsm=1&ssd=1&sort=country&ds=.&br=1&c=534&s=NGDP_RPCH&grp=0&a= (retrieved January 1, 2016)

Globalization and Global Challenges

> **Keywords:**
>
> **Globalization:** a worldwide movement, involving the integration of financial, economic and communications systems; often seen as an unstoppable process, affecting people all around the globe, no matter whether they live in industrialized or developing countries, in big cities or rural villages. Transfer of goods, capital and services, as well as communications, made easier, but not everyone profits from the development; smaller economies may suffer.
> The world is said to be getting smaller, i.e. it has become a "global village". The term was coined by Marshall McLuhan, a Canadian philosopher and media specialist.

It is not easy to say when globalization actually started:
- Did it start with the discovery of America?
- Does it go even further back in time?
- Is it a phenomenon of the modern era?

Everyone can experience the results of globalization, e.g. when
- travelling
- keeping in touch with friends or business partners in distant countries with the help of new means of communication
- buying goods which come from far away.

Globalization is not always regarded as a positive process:
- Some people fear that individual cultures will finally blend into a single global culture, thereby losing all their characteristic features.
- Thousands of people in developing countries still suffer from malnutrition or die of curable diseases.
- Others work under cruel working conditions, producing goods which will be shipped to and sold in industrialized countries at a low price.
- The latest financial crisis, starting in the USA in 2008, shows that a crisis which starts in one country will ultimately affect other countries as well, as businesses are linked and global trade is the rule.
- Due to increased mobility, diseases like H1N1 ("Swine Flu") can easily spread all around the globe, developing into a pandemic.
- There are always two sides to a coin and there are other advantages, and of course challenges, when it comes to globalization.
- The refugee crisis in Europe can partly be seen as connected with globalization: people from all over the world want to participate in growing economic wealth. Many people from poor countries want to find a better future and leave their homes – just like people have always done over the centuries (e.g. emigration to America in the last two centuries). At the same time, civil and other wars force

people to emigrate. As more and more countries close their borders, problems in many regions are growing. Among these problems are huge refugee camps, and people drowning and starving during dangerous journeys.

Aspects of Globalization

Progress
– The development of planes, fast ships and trains made fast transportation of goods from one country to another possible.
– New means of communication, especially the Internet, make the collaboration between business partners easier.
– Multinational companies have branches all over the world, and cost-effectiveness is a decisive factor when new production sites are set up.

Economic challenges

As today's customers wish to buy products at the best cost/performance ratio, the global market has become very **competitive,** with the following (and related) consequences:
– While global players consider efficiency, speed, flexibility and profits as most important, employees are increasingly unable to defend their rights.
– More and more jobs are being outsourced or off-shored to cut down production costs, thereby severely damaging local labour markets.
– When jobs are outsourced to low-wage countries, the workers often work in so-called **"sweatshops"** for long hours at a stretch, earning only minimum wages and under working conditions that are often inhumane. Safety measures in sweatshops are by no means comparable to western standards. Sadly, the lack of efficient safety measures often results in catastrophes. On April 24, 2013 a building housing several garment factories near Bangladesh's capital Dhaka collapsed, resulting in the death of more than 1.000 workers. Despite the fact that factory owners had previously been warned about deep cracks which appeared in the building's structure and had been ordered to evacuate the building, workers were sent in to work. Two weeks after the tragedy, a fire broke out in another clothing factory, killing several people.
– Critics like the Canadian journalist Naomi Klein accuse multinational companies of exploiting the poor and indirectly supporting child labour by only having their own profit in mind.
– Workers often assemble products which they will never be able to afford or do not know how to use, e. g. computers.
– People in developing countries often live under poor conditions, without a decent

– They also say that critics of sweatshops argue from a western point of view without considering the actual situation of people in developing countries.
– In order to reduce the number of sweatshops, fair trade is becoming increasingly important. Its aim is to ensure that workers and small-scale producers in poor countries are paid a fair price for their work and products.
– Despite these attempts, a growing number of experts and laypeople alike fear that the gap between the rich and the poor is widening.
– The close links and collaboration between companies all across the globe is both a blessing and a curse.
– The financial crisis which started in the USA in 2008 shows that a national crisis can quickly develop into a global one, affecting the economies of numerous countries.

Ecological challenges and the role of customers

Environmental pollution is growing rapidly. The following factors in particular create global problems:
– **Exhaust fumes** from factories are one important factor.
– Over the last decades the number of **vehicles** on the roads has steadily increased. Cars are no longer found only in industrialized countries.
– The number of people travelling by **plane** is also greater than ever, due to the fact that plane tickets have become affordable for a larger number of people. Short-haul **flights** have become particularly popular.
– **Food-miles:** Whereas some years ago many people bought fruit and vegetables locally and ate seasonal products, they now want to eat strawberries and cherries in December. So more goods are air-freighted. Ecologically conscious customers ask themselves whether it is better to buy local products than food (even fair trade products) which has been flown across continents.
– Everyone leaves a **carbon footprint** (emission of greenhouse gases from factories, cars, trains, planes, etc) either directly or indirectly.
– **Greenhouse gases** cause chemical damage to the atmosphere (e. g. ozone hole) as well as global warming (see below).

Global warming and its consequences
– As Al Gore explains in his film *An Inconvenient Truth,* greenhouse gases form a layer around the earth trapping heat and thereby causing the temperature on the ground to rise ("global warming").
– There are many consequences of climate change, e. g. floods in coastal areas, heavy rainfall in some regions and drought in others, melting of polar ice-caps.
– Biodiversity is threatened, as many plants, flowers and animals die out. Desertification (see below) is an increasingly frequent phenomenon today.

Environmental sustainability

- Due to overgrazing[1], over-extraction (overdraft) of groundwater, unwise use of water resources, e.g. diverting rivers for industrial use or human consumption, deforestation ("slash-and-burn farming") and rising soil salinity, vast areas of land in relatively dry areas deteriorate and become useless (desertification).
- Environmental sustainability is on the agenda of many governments and has been an important topic at various summits to date.

The Kyoto Protocol (came into effect on February 16, 2005)

- The protocol aimed to reduce the emission of greenhouse gases by an annual 5.2% by the year 2012, taking 1990 levels as a basis.
- National limitations were decided, stating which country had to reduce the emission of greenhouse gases by what amount (e.g. EU 8%, US 7%).
- There are no national limitations for some countries, e.g. India and China, as they were not among the highest greenhouse gas emitters prior to the treaty. However, by August 2008 China had become the world's biggest emitter of greenhouse gases caused by power generation, overtaking the USA.
- While 183 parties had ratified the protocol by January 2009, the USA signed but did not ratify it, because
  - scientific evidence was said not to be convincing enough,
  - the protocol would put a strain on the economy,
  - there were no national limitations for China.
- G8 Summit in Heiligendamm, Germany, 2007: Leaders of developed countries reached the decision to cut global CO_2 emissions by at least 50%.
- Not only politicians, but also ordinary people are becoming more aware of environmental issues and try to help save the environment, e.g. by cycling or using public transport instead of going by car, as well as by recycling waste materials and using energy more economically.
- December 2009: Climate Change Summit in Copenhagen. Environment ministers and officials unsuccessfully tried to work on a successor for the Kyoto Protocol. On December 18, 2009, the USA, Brazil, China, India and South Africa worked out the 'Copenhagen Accord'. This document, which is not binding, states that climate change is one of the greatest global challenges and that efforts should be made to ensure that any rise in temperature stays below 2 °C. Although many countries and NGOs were critical of the 'Copenhagen Accord' at first, 138 nations had signed it (e.g. Germany, France and India) or expressed their will to do so (e.g. Afghanistan, Jamaica and Ukraine) by the end of 2010. In the 'Copenhagen Accord' it was also acknowledged that developing and third world countries will need more time and financial support by western countries to pursue the aims of the document.

- 2014: negotiations in Paris, but some countries – e.g. the USA – made it clear that they would not sign any agreement which forces them to legally reduce CO_2 emissions
- 2015: Paris, 2015: A global agreement on the slowing of climate change (the Paris Agreement) has been reached and adopted by 195 countries. Among the decisions made was the resolution to limit the long-term increase of global average temperature to well below 2°C above pre-industrial levels. The agreement went into effect on 4 November 2016, as enough countries ratified it. However, it is not clear whether the USA will withdraw its consent to the agreement, as announced by President Trump.

Conflict between economic and ecological aspects of globalization

- Companies face global competition: cost-effectiveness and profits seem more important than ecological issues.
- Some governments refrain from setting up strict laws to protect the environment, as this might drive away multinational companies that offer many employment possibilities.
- As environmental pollution does not stop at borders, international cooperation is crucial – and will become even more so in future.

Media and communication

Many people experience the advantages of communication on the Internet on a daily basis. Social networking communities like *Facebook* and *MySpace* enable their users to find long-lost friends and to connect with people all over the world, no matter whether they live next door or on a different continent.

Founded by Harvard students Mark Zuckerberg, Eduardo Saverin, Andrew McCollum, Dustin Moskovitz and Chris Hughes in 2004, *Facebook* has become the biggest social networking community with more than 900 million users worldwide (May 2012). Its development was also made into a film *(The Social Network,* directed by David Fincher in 2010). *Facebook* CEO Mark Zuckerberg has criticized the film for not being true to the development of Facebook. On *Facebook,* users are able to set up their own profiles and to customize them according to their wishes, e.g. by uploading pictures and information about themselves or by adjusting the privacy settings of their profiles to restrict others from seeing them. Users can also keep track on what their friends are doing and chat with them. As there are special apps for gadgets like smartphones or tablets, users can access their *Facebook* accounts on the go. While using *Facebook* itself is free of charge, the network has repeatedly been accused

On his own *Facebook* page, Mark Zuckerberg says that "(he's) trying to make the world a more open place[2]". Nevertheless, countries like China, Iran and Pakistan have banned people's access to Facebook.

On a political level, *Facebook* is also said to have played a role in the "Arab Spring" which started in December 2010. Generally speaking, this can be described as a series of protests and demonstrations in several countries of the Arab World, i. e. Tunisia, Egypt and Libya to force rulers from power. The success of these revolutions has partly been accredited to social media like *Facebook* and *Twitter,* as protests, marches, strikes and other examples of civil resistance were organized and coordinated with the help of social media.
Some have therefore suggested calling these revolutions 'Facebook revolutions', whereas others say that although social media might have helped to organize civil resistance and to make the state of things in Arab countries public to the western world, people's active involvement in a revolution is still the key essential for its success.

Facebook and the companies belonging to it, e.g. Instagram, and WhatsApp have certainly revolutionized our way of communicating and interacting with each other. Never before has it been easier to broadcast oneself and to stay in touch with people all over the globe, as well as to access news and information from anywhere around the world in real time.
Despite all these achievements, Facebook has been criticized by both opponents and users for a number of reasons.
One reason is that users who report hate speech, rumours, incitement to violence and offensive posts that violate Facebook's community standards often received only standardized answers or no feedback at all. In addition to that, many users found that Facebook did not remove those posts and/or did nothing to avoid the spread of hate speech etc.
The social network's protection of its users' Internet privacy and the safekeeping and storing of personal data is another point of criticism.
In March 2018 it was revealed that Facebook had mishandled user data, enabling Cambridge Analytica, a political consulting firm, to access and evaluate the data of 87 million users and attempting to influence the presidential elections of 2016 in favour of Donald Trump.
As a consequence, Mark Zuckerberg was called to a US Senate committee hearing where he was questioned on Facebook's use and misuse of user data.
As of late April 2018, the European Union has insisted that Mark Zuckerberg should in person attend an official hearing on the same topic.

The UN and the EU
The UN

- October 24, 1945: A group of 51 countries founded the United Nations (UN) as a replacement/successor for the League of Nations.
- The UN headquarters is located in New York City and the current Secretary General is António Guterres.
- The UN has 193 member states (April 2018).
- It defends human rights and fundamental freedoms.

Five of six **main organs** of the UN (General Assembly, Security Council, Economic and Social Council, Trusteeship Council and Secretariat) are located in New York City, while the International Court of Justice is in The Hague in the Netherlands.
There are **various programs** and funds affiliated to the UN. Two of the best known are UNICEF (United Nations Children's Fund) and the UNHCR (Office of the United Nations High Commissioner for Refugees). The latter deals with the needs of refugees and displaced persons in post-conflict countries, e.g. Djibouti.

Aims of the UN

- to preserve international peace and security
- to promote friendly relations between member countries
- to support international cooperation with regard to economic, social and cultural as well as humanitarian issues
- Apart from **peacekeeping** and **peacemaking** operations, **peace-building** has become more and more important.
- Here the UN and its affiliated organizations work to equip national groups with the necessary skills in conflict management, and to ensure that lasting peace can be established.
- Currently (Spring 2018) the UN is involved in 14 peacekeeping operations, e. g. in Haiti, Mali and Darfur.
- **Humanitarian aid** is also of major importance, e. g. providing relief for people affected by either man-made or natural disasters, and helping refugees and displaced persons.
- Other main concerns of the UN are **international law and development** (e. g. sustainable development, agriculture, international trade).

The EU

- Currently 28 states belong to the European Union (EU). The newest members are Bulgaria and Romania, which both joined the EU on January 1, 2007, and Croatia, which became a member on July 1, 2013.
- After the 2nd World War there was a desire for a united Europe in order to prevent

- The EU as we know it came into existence in 1993, when the Maastricht Treaty – which among other things initiated the euro as common currency – was ratified. The individual member states came to be regarded as a single global player.
- At present the EU faces the challenge of maintaining its unity – and indeed remaining a union at all – in the face of the refugee crisis. The countries of the EU have very different attitudes to solving the refugee problem.
- In 2016, Great Britain decided in a referendum to leave the EU ("Brexit", cf. p. 34).

Aims of the EU

- to promote prosperity and social progress with European citizenship for its peoples while still keeping their diversity alive
- to promote friendly relations between member countries
- to guarantee freedom and justice for the European peoples
- to internationally represent the member states with a single voice, tackling the various challenges of globalization, as well as respecting human rights

When it comes to defence, the individual member countries are sovereign. However, there is military cooperation in peacekeeping missions.

The three main groups which make up the EU are the **Council of Ministers,** the **European Parliament,** the **European Commission.**

Although the EU has no official capital, the official seat of the European Commission, the Council of the European Union and the second seat of the European Parliament are located in Brussels, Belgium.

International peacekeeping

International peacekeeping is one of the aims of the UN:

- Once peace has been established in a country or region, peacekeepers are sent to the country or region in question to oversee the peace process.
- This can be done by overseeing elections, providing reconstruction aid and supervising the withdrawal of combatants.
- Very often, UN peacekeepers are soldiers, but they can also be police officers or other civilian personnel.
- The UN Security Council authorizes peacekeeping missions, which are then carried out by the international community.
- Many of these missions are organized and led by the UN itself. There is no UN army. While the troops acting as peacekeepers are under the control of the UN, they still belong to the armed forces of their country of origin. The UN itself is controlled by the Security Council and the UN Secretariat.
- This reduces the risk that one peacekeeping party only follows its own interests.

Terrorism

Terrorism as become an ongoing global threat which has led to a growing feeling of insecurity in many societies: "[T]errorism casts its lethal shadow across the globe – yet the world's resolve to defeat is has never been greater ..."[3]

- in some countries (e. g. Israel) terrorist attacks have been a virtually permanent feature of life, going back six or seven decades
- in most Western, as well as Middle Eastern countries, what we know as Islamist terrorism – especially the systematic terrorism of such organizations as "Al Qaeda" and the "Islamic State" (also known as "IS", "ISIS", or "Daesh") – began with the "9/11" attacks on the World Trade Center in New York and the Pentagon in Washington on September 11, 2001
- these attacks provoked a military reaction from the U.S. government under George W. Bush, who with his allies (notably the UK) launched the Second Gulf War (2003) against the regime of Saddam Hussein in Iraq
- the ensuing political, social and economic collapse of Iraq rekindled the enduring conflict between two branches of Islam, the Sunni and the Shia religious traditions, which resulted in many acts of terrorism in Baghdad and other centres that have continued to the present day
- also as a result of that breakdown, and at the same time of the war in Syria between the central government and dissenting (or "rebel") forces, the Sunni Islamist terrorist organization ISIS took over control of large parts of Syria and Northern Iraq, territories from which they have recently for the most part been expelled by Iraqi, Syrian and Kurdish military action supported by the U.S. and its allies
- meanwhile in Afghanistan the Taliban (also a Sunni-Islamist organization), who had governed the country after the Soviet occupation (1979-1989), have organized many terrorist attacks since their expulsion from power by U.S.-led forces in 2001
- driven largely by these same Middle Eastern terrorist groups, a series of attacks has been carried out – largely in European countries but also in the U.S. – the most significant being the Madrid train bombings of March 2004, the London bombings of July 2005, the Boston Marathon bombing of April 2013, the Paris "Charlie Hebdo" attacks of January 2015, the Brussels attacks of March 2016, and the Berlin Christmas Market attack of December 2016
- but not all terrorist actions are motivated by anti-Western or Islamist sentiments: some, like the Oslo and Utøya (Norway) attacks of July 2010 were apparently motivated by right-wing ultra-nationalist convictions, and the occurrence in April 2018 in Münster (Germany), when a car was driven into people gathered in a beer-garden, seems to have been committed by a psychologically disturbed person.

Glossary – Globalization

Americanization	Amerikanisierung
anti-globalist	Globalisierungsgegner/-kritiker
backwardness	Rückständigkeit
company philosophy	Geschäfts-/Firmenphilosophie
competition; to be competitive	Konkurrenz(kampf)/Wettbewerb; konkurrenzfähig sein
corporate identity	Firmenimage
crop diseases	Krankheiten von Pflanzen/Saatgut
debt relief	Schuldenerlass, Entschuldung
desertification	die Desertifikation/Wüstenbildung, das Vordringen der Wüste
developing countries	Entwicklungsländer
development aid	Entwicklungshilfe
driving forces of globalization	die Antriebskräfte der Globalisierung
drought	Dürren, Dürreperioden
earth's atmosphere	die Erdatmosphäre
economic growth	Wirtschaftswachstum
economic prosperity	ökonomischer Wohlstand
emerging markets	Schwellenländer
environmental commitment	Umwelteinsatz
environmental damage	Umweltzerstörung
environmentally friendly	umweltfreundlich
expansion of capitalism	Ausbreitung des Kapitalismus
fair trade	fairer Handel
floods	Hochwasser, Überschwemmungen
global interconnection	globale Querverbindungen
global marketplace	globaler Marktplatz
global player	Weltfirma
global super power	eine globale Supermacht
global warming	Erderwärmung
greenhouse gases	Treibhausgase
human rights	Menschenrechte
human-generated carbon dioxide	durch Menschen produziertes Kohlenstoffdioxid

industrial nations	Industrieländer/-nationen
interdependence of economy and ecology	gegenseitige Abhängigkeit/Verflechtung von Ökonomie und Ökologie
international stock markets	internationale Börsenmärkte
investment climate	Investitionsbedingungen
labour laws	Arbeitsgesetze
labour market	Arbeitsmarkt
long-range goals	langfristige Ziele
low-wage countries	Niedriglohnländer
mass communication; mass media	Massenkommunikation; -medien
mass tourism	Massentourismus
melting of glaciers	das Schmelzen von Gletschern
micro-credits	Kleinkredite
NGO (non-governmental organization)	Nichtregierungsorganisation
outsourcing	Produktionsverlagerung
political turmoil	politischer Aufruhr, politische Turbulenzen
pollution	Verschmutzung
population overshoot, overpopulation, excess of population	Überbevölkerung
poverty	Armut
reduce greenhouse gas emissions	den Ausstoß von Treibhausgasen reduzieren
reduce the cost of production	die Produktionskosten senken
rise in global temperature	ein weltweiter Temperaturanstieg
robotized production	computergesteuerte Produktion/Fertigung
short-haul flights	Kurzstreckenflüge
surface transport	Bodentransport
supremacy	Vormachtstellung, Überlegenheit
sustainability	Nachhaltigkeit, Zukunftsfähigkeit
sweatshop	ausbeuterischer Betrieb
trade	Handel
trademark policy	Markenpolitik
undernutrition, malnutrition	Unterernährung; Mangelernährung